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January 18, 2017

*Attorneys for Defendant JPMorgan Chase Bank, N.A.*

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA,

Plaintiff,

v.

JPMORGAN CHASE BANK, N.A.,

Defendant.

17 Civ. 00347 ( )

DEFENDANT JPMORGAN CHASE BANK, N.A.'S  
ANSWER TO THE GOVERNMENT'S COMPLAINT

Defendant JPMorgan Chase Bank, N.A. (“Chase”), by its attorneys, Morgan, Lewis & Bockius LLP, answers the Government’s Complaint (the “Complaint”) herein as follows:

1. Admits the allegations in paragraph 1 of the Complaint.
2. Denies the allegations in paragraph 2 of the Complaint.
3. Admits the allegations in paragraph 3 of the Complaint.
4. Admits that Chase conducts business in this District, and that venue is appropriate, but otherwise denies the allegations in paragraph 4 of the Complaint.
5. Admits the allegations in paragraph 5 of the Complaint.
6. Admits the allegations in paragraph 6 of the Complaint.
7. Admits the allegations in paragraph 7 of the Complaint.
8. This paragraph states a conclusion of law and, therefore, a response to the allegations in paragraph 8 of the Complaint is not required.
9. This paragraph states a conclusion of law and, therefore, a response to the allegations in paragraph 9 of the Complaint is not required.
10. Denies the allegations in paragraph 10 of the Complaint.
11. Denies the allegations in paragraph 11 of the Complaint.
12. Denies the allegations in paragraph 12 of the Complaint.
13. Admits the allegations in paragraph 13 of the Complaint.
14. Denies the allegations in paragraph 14 of the Complaint.
15. Chase refers to the cited agreements for a complete and accurate statement of their contents and otherwise denies the allegations in paragraph 15 of the Complaint.
16. Denies the allegations in paragraph 16 of the Complaint.
17. Denies the allegations in paragraph 17 of the Complaint.

18. Denies the allegations in paragraph 18 of the Complaint.
19. Denies the allegations in paragraph 19 of the Complaint.
20. Denies the allegations in paragraph 20 of the Complaint.
21. Denies the allegations in paragraph 21 of the Complaint.
22. Denies the allegations in paragraph 22 of the Complaint.
23. Denies the allegations in paragraph 23 of the Complaint.
24. Denies the allegations in paragraph 24 of the Complaint.
25. Denies the allegations in paragraph 25 of the Complaint.
26. Denies the allegations in paragraph 26 of the Complaint.
27. Denies the allegations in paragraph 27 of the Complaint.
28. Admits that Chase had a robust monitoring program in place between 2006 and 2009, but otherwise denies the allegations in paragraph 28 of the Complaint.
29. Denies the allegations in paragraph 29 of the Complaint.
30. Denies the allegations in paragraph 30 of the Complaint.
31. Denies the allegations in paragraph 31 of the Complaint.
32. Denies the allegations in paragraph 32 of the Complaint.
33. Denies the allegations in paragraph 33 of the Complaint.
34. Denies the allegations in paragraph 34 of the Complaint.
35. Denies the allegations in paragraph 35 of the Complaint.
36. Chase incorporates its responses, containing admissions or denials as appropriate, to paragraphs 1 through 35 of the Complaint.
37. Denies the allegations in paragraph 37 of the Complaint.
38. Denies the allegations in paragraph 38 of the Complaint.

39. Denies the allegations in paragraph 39 of the Complaint.

40. Denies the allegations in paragraph 40 of the Complaint.

**FIRST AFFIRMATIVE DEFENSE**

41. The Complaint, and each and every claim therein, fails to state a claim for relief against Chase.

**SECOND AFFIRMATIVE DEFENSE**

42. Plaintiff's claims are barred by res judicata.

**THIRD AFFIRMATIVE DEFENSE**

43. Plaintiff's claims are barred by the Court-ordered release in *Payares et al. v. Chase Bank USA, N.A., and JPMorgan Chase Bank, N.A.*, Case No. CV 07-05540 AG (ANx) (C.D. Cal.) (Dkt. No. 132, ¶ 10).

**FOURTH AFFIRMATIVE DEFENSE**

44. Plaintiff's claims are partially or completely barred, and a setoff is required, as a result of payments and other consideration provided by Chase to settling class members in the case, *Payares et al. v. Chase Bank USA, N.A., and JPMorgan Chase Bank, N.A.*, Case No. CV 07-05540 AG (ANx) (C.D. Cal.).

**FIFTH AFFIRMATIVE DEFENSE**

45. The Complaint fails to establish the requisite causal link between Chase's policies, and purported price disparities, under the U.S. Supreme Court's decision in *Tex. Dep't of Hous. & Cmty. Affairs v. Inclusive Cmty. Project, Inc.*, 135 S. Ct. 2507 (2015).

**SIXTH AFFIRMATIVE DEFENSE**

46. Plaintiff's claims are barred by the U.S. Supreme Court's decision in *Tex. Dep't of Hous. & Cmty. Affairs v. Inclusive Cmty. Project, Inc.*, 135 S. Ct. 2507 (2015), because Chase's policy of allowing independent brokers limited pricing discretion was supported by a

legitimate business justification.

**SEVENTH AFFIRMATIVE DEFENSE**

47. Plaintiff's claims are barred, in whole or in part, because Chase is not liable for the acts of independent, third party brokers.

**EIGHTH AFFIRMATIVE DEFENSE**

48. Plaintiff has waived, relinquished, abandoned or is estopped from asserting any claim for relief against Chase respecting the matters that are the subject of the Complaint.

**NINTH AFFIRMATIVE DEFENSE**

49. Plaintiff's claims are barred by the applicable statutes of limitations.

**TENTH AFFIRMATIVE DEFENSE**

50. Plaintiff's claims are barred, in whole or in part, by the equitable doctrine of laches.

**WHEREFORE**, Chase demands judgment as follows:

- (i) dismissing the Complaint in its entirety and with prejudice;
- (ii) awarding Chase its attorneys' fees and costs; and
- (iii) awarding Chase such other and further relief as the Court deems just and proper.

Dated: New York, New York  
January 18, 2017

/s/ Kelly A. Moore  
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